

BYLAWS
OF
CHESHIRE FOREST HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is Cheshire Forest Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the Association shall be located at 501 Kempsville Rd., Suite E, Chesapeake, VA 23320 but meetings of members and directors may be held at such place within the State of Virginia, City of Chesapeake, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1 "Association" shall mean and refer to Cheshire Forest Homeowners Association, Inc., its successors and assigns.

Section 2. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the owners. The initial Common Area to be owned by the Association is described in Exhibit B attached hereto.

Section 3. "Declarant" shall mean and refer to Parker Road Associates, a Virginia limited partnership, or assigns.

Section 4. "Declaration" shall mean the Declaration of Covenants, Conditions, Restrictions and Easements, dated January 15, 1987, recorded in the Circuit Court of the City of Chesapeake, concurrently herewith and all other provisions set forth in this document, as same may from time to time be amended and supplemented.

Section 5. "FHA" and "VA" shall mean the Federal Housing Administration and the Veterans Administration, respectively.

Section 6. "Lot" shall mean any parcel of the Property designated as a Lot or Building Site (more than one Lot or Building Site shall be referred to as Lots), with the exception of the Common Areas, which has been subjected to the scheme of the Declaration.

Section 7. "Member" shall mean each Owner of a Lot which is subject to the scheme of this Declaration who shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 8. “Owner(s)” shall mean and refer to the record owner, whether one or more persons or entities, of equitable or beneficial title (or legal title if same has merged) of any Lot. The foregoing does not include persons or entities who hold an interest in any Lot merely as security for the performance of an obligation. Except as stated otherwise herein, “Owner” shall not include one who has merely contracted to purchase any property or a lessee or tenant of a single family residence. The term “Owner” shall not include a Developer, who in the Declaration shall be defined as a builder, contractor, investor or other person or entity who purchases a Lot in the Property for the purpose of resale thereof to a Public Purchaser, or for the purpose of constructing improvements thereon for resale to a Public Purchaser, except that a Developer shall be liable for any assessments that would have been imposed on the Owner of said Lot.

Section 9. “Property” shall mean all real property (Cheshire Forest) located in the City of Chesapeake, Commonwealth of Virginia, which becomes subject to the scheme of the Declaration, together with such other real property as may from time to time be annexed thereto. The initial Property subject to the scheme of the Declaration is described in Exhibit A attached hereto.

Section 10. “Tract Declarations” shall mean any declarations of covenants, conditions and restrictions which may be recorded by Declarant, which document may amend the Declaration or subject additional Tracts to the scheme of the Declaration.

Section 11. All other definitions shall be as set forth in the Declaration and the Articles of Incorporation.

ARTICLE III

PROPERTY RIGHTS

Section 1. Owners’ Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) The right of the Association to give a mortgage or deed of trust when financing any improvements located on the “Common Area”, but no such mortgage or deed of trust shall be effective unless an instrument has been signed by more than two-thirds (2/3) of each class of Members, agreeing to such mortgage or deed of trust;

(c) The right, hereby reserved, of the Declarant, whether or not such right is expressly reserved in any deed of conveyance of any part of

the Common Area to the Association, to grant easements over, along, under and through the Common Area to the City of Chesapeake, or any utility company for drainage or utility purposes. This right of the Declarant as to a particular portion of the Common Area shall terminate upon conveyance of said portion of the Common Area to the Association;

(d) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of this Declaration or the Association Rules;

(e) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be made unless an instrument, including a certificate of the Secretary of the Association that at least two-thirds (2/3) of those present and voting at a meeting duly called and held agreed to such dedication or transfer, has been recorded;

(f) The right of the Association to provide in its Bylaws or elsewhere a limitation on the number of guests that a Member may have (on the Common Area).

Section 2. Delegation of Use. Any Owner may delegate, in accordance with these Bylaws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or his guests or invitees.

Section 3. Title to the Common Area. Title to the Common Area shall be conveyed to the Association free and clear of all liens and encumbrances, subject to existing conditions, easements and restrictions of record, on or before the conveyance of the first Lot to a Public Purchase. An additional Tracts are made subject to the scheme of this Declaration, the Common Area, if any, in these Tracts shall be conveyed prior to the first conveyance of any Lot to a Public Purchaser in said additional Tracts/

ARTICLE IV

PERMITTED USES AND RESTRICTIONS – COMMON AREA

Section 3. Permitted Uses and Restrictions – Common Area. The permitted uses and restrictions for Common Areas shall be as follows:

(a) Maintenance by Association. The Association may, at any time, as to any Common Area conveyed, leased, or transferred to it, or otherwise placed under its jurisdiction, in the discretion of the Board, without any approval of the Owners being required.

(1) Reconstruct, repair, replace or refinish any improvements or portion thereof upon any such area (to the extent that such work is not done by a governmental entity, if any, responsible for the maintenance and upkeep of such area) in accordance with (a) the last plans thereof approved by the Board of Directors, (b) the original plans for the improvement, or (c) if neither of the foregoing is applicable and if such improvement was previously in existence, then in accordance with the original design, finish or standard of construction of such improvement as same existed;

(2) Construct, reconstruct, repair, replace or refinish any road improvement or surface upon any portion of such area used as a road, street, walk, driveway, parking area, and waterfront facilities;

(3) Replace injured and diseased trees or other vegetation in any such area, and plant trees, shrubs and ground cover to the extent that the Board of Directors deems necessary for the conservation of water and soil and for aesthetic purposes;

(4) Place and maintain upon any such area such signs as the Board of Directors may deem appropriate for the proper identification, use and regulation thereof;

(5) Do all such other and further acts which the Board of Directors deems necessary to preserve and protect the Property and the beauty thereof, in accordance with the general purposes specified in this Declaration; and

(6) The Board of Directors shall be the sole judge as to the appropriate maintenance of all grounds with the Common Area.

(b) Damage or Restriction of Common Area by Owners. In the event any Common Area is damaged or destroyed through the intentional or negligent act of an Owner or any person for whom he is legally responsible, such Owner does hereby authorize the Association to repair said damaged area, and the Association shall so repair said damaged area in a good, workmanlike manner in conformance with the original plans and specifications of the area involved, or as the area may have been modified or altered subsequently by the Association, in the discretion of the Association. The amount necessary for such repairs shall be paid by said Owner, upon demand, to the Association and the Association may enforce collection of same in the same manner and subject to the same conditions as provided elsewhere in this Declaration for collection and enforcement of assessments.

ARTICLE V

ASSOCIATION MANAGER

Section 1. Association Manager. There may be a professionally qualified manager or advisor to the Association. The manager may be appointed the chief administrative officer of the Association by the Board of Directors. If a full-time manager is designated, he (i) shall annually prepare a proposed budget for the Association, and upon its approval by the Board of Directors, shall have authority to spend the sums appropriated subject to Board approved procedures; (ii) shall be responsible for any funds of the Association received, for the keeping of the accounting records and the preparation of financial statements in accordance with forms and procedures prescribed by the secretary-treasurer and approved by the Board of Directors; (iii) shall furnish the secretary-treasurer with financial statements as may be requested by the secretary-treasurer; and (iv) shall appoint and discharge employees of the Association and shall fix their respective compensation within the limits required by the budget. He may enter into agreements on behalf of the Association subject to policies established by the Board of Directors and shall perform other duties conferred upon him by the Board of Directors.

Section 2. Personal Liability. No member of the Board of Directors or any Committee of the Association, or any officers of the Association, shall be personally liable to any Owner, or to any other party, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omissions, error, or negligence of the Association, the Board, or the Architectural Control Committee, or any other Committee, or any officer of the Association, provided that such a person has, upon the basis of such information as may be possessed by him, acted in good faith, without willful or intentional misconduct, and further provided that the act or omission complained of involves the official duties of such person in connection with his responsibilities to the Association.

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot, hereby covenants, and each Developer or Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, or from non-compliance with this Declaration, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Property against

which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of each person or entity who was an Owner of such Property at the time when the assessment shall not pass to an Owner's successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Property and for the improvements and maintenance of the Common Area.

Section 3. Capital Assessments. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose.

ARTICLE VII

ARCHITECTURAL CONTROL

Section 1. Organization, Power of Appointment and Renewal of Members. There shall be an Architectural Control Committee, organized as follows:

(a) Committee Composition. The Architectural Control Committee shall consist of three (3) regular members and two (2) alternate members. None of such members shall be required to be an architect or to meet any other particular qualifications for membership. A member need not be, but may be, a member of the Board of Directors or an officer of the Association.

(b) Alternate Members. In the event of the absence or disability of one (1) or two (2) regular members of said Committee, the remaining regular member or members, even though less than a quorum, may designate either or both of the alternate members to act as substitutes for the absent or disabled regular member or members for the duration of such absence or disability.

(c) Initial Members. The following persons are hereby designated as the initial members of the Architectural Committee:

Office No. 1 – Roxanne Miller
Office No. 2 – Bruce Galvin

Office No. 3 – Daniel Gordon
Office No. 4 – Allan Gibbs
Office No. 5 – Bill Evans

(d) Terms of Office. Unless the initial members of the Architectural Control Committee have resigned or been removed, their terms of office shall be for the periods of time indicated below, and until the appointment of their respective successors:

(1) The term of Office No. 1 shall expire one (1) year from the date of the recording of this Declaration.

(2) The term of Office No. 2 shall expire one (1) year from the date of the recording of this Declaration.

(3) The term of Office No. 3 shall expire one (1) year from the date of the recording of this Declaration.

(4) The terms of Office No. 4 and Office No. 5 shall both expire two (2) years from the date of the recording of this Declaration.

Thereafter the term of each Architectural Control Committee member appointed shall be for the period of three (3) years and until the appointment of his successors. Any new member appointed to replace a member who has resigned or been removed shall serve such member's unexpired term. Members who have resigned, been removed or whose terms have expired may be reappointed.

(e) Appointment and Removal. The right to appoint and remove all regular and alternate members of the Architectural Control Committee at any time shall be and is hereby vested solely in the Board of Directors, provided, however, that no regular or alternate members may be removed from the Architectural Control Committee by the Board of Directors except by the veto or or written consent of two-thirds (2/3) of all the members of the Board of Directors. Exercise of the right of appointment and removal, as set forth herein, shall be evidenced in the minutes of the Association.

(f) Resignations. Any regular or alternate members of the Architectural Control Committee may at any time resign from the Committee by giving written notice thereof to Declarant or to the Board of Directors, whichever then has the right to appoint Committee members.

(g) Vacancies. Vacancies on the Architectural Control Committee, however caused, shall be filled by the Declarant or the Board of Directors, whichever then has the power to appoint Committee members. A vacancy or vacancies on the Architectural Control Committee shall be deemed to exist in case of the death, resignation or removal of any regular or alternate member.

Section 2. Duties. It shall be the duty of the Architectural Control Committee to consider and act upon any and all proposals or plans submitted to it pursuant to the terms hereof, to adopt Architectural Control Committee Rules and to perform other duties imposed upon it by these Bylaws and the Declaration. Declarant shall not be subject to the Committee's decisions.

Section 3. Meetings and Compensation. The Architectural Control Committee shall meet from time to time as necessary to perform its duties hereunder. Subject to the provisions of Paragraph (b) of Section 1 above, the vote or written consent of any two (2) regular members, at a meeting or otherwise, shall constitute the act of the Committee unless the unanimous decision of the Committee is required by any other provision of these Bylaws. The Committee shall keep and maintain a written record of all actions taken by it at such meetings or otherwise. Members of the Architectural Control Committee shall not be entitled to compensation for their services.

Section 4. Architectural Control Committee Rules. The Architectural Control Committee may, from time to time and in its sole and absolute discretion, adopt, amend and repeal, by unanimous vote or written consent, rules and regulations, to be known as "Architectural Control Committee Rules". The Architectural Control Committee Rules shall interpret and implement this Declaration by setting forth the standards and procedures of Architectural Control Committee review and the guidelines for architectural design, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features which are recommended for use on the Property. The Architectural Control Committee Rules shall in no way affect original construction and development by Declarant.

Section 5. Waiver. The approval of the Architectural Control Committee of any plans, drawing or specifications for any work done or proposed, or for any other matter requiring the approval of the Architectural Control Committee shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or matter subsequently submitted for approval.

Section 6. Liability. Neither the Architectural Control Committee nor any member thereof shall be liable to the Association, any Owner or to any other party, for any damage, loss or prejudice suffered or claimed on account of (a) the approval or disapproval of any plans, drawings, specifications, whether or not defective, (b) the construction or performance of any work, whether or not pursuant to approved plans, drawings, and specifications, (c) the development of any estoppel certificate, whether or not the facts therein are correct; provided, however, that with respect to the liability of a member, such member has acted in good faith on the basis of such information as may be possessed by him. Without in any way limiting the generality of any of the foregoing

provisions of this Section, the Architectural Control Committee, or any member thereof, may, but is not required to, consult with or hear the views of the Association or any Owner with respect to any plans, drawings, specifications or any other proposal submitted to the Architectural Control Committee.

Section 7. Time for Approval. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, and date receipt for same provided the applicant, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VIII

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at the hour of 8:00 o'clock p.m. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the non-Declarant Members who are entitled to vote one-fourth (1/4) of all the votes outstanding in non-Declarant Memberships.

Section 3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of Membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE IX

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number and Term of Office. The affairs of this Association shall be managed by a Board of Directors of five (5) to seven (7) Directors, as determined by the Board of Directors, except that the initial Board of Directors shall be composed of five (5) Members. The Directors need not be Members of the Association and need not be residents of Virginia. The number of Directors may be changed by amendment of these Bylaws.

At the first annual meeting the Members shall elect two (2) Directors for a term of one (1) year; two (2) Directors for a term of two (2) years; and one (1) Director for a term of three (3) years; and at each annual meeting thereafter the Members shall elect Directors as needed to fill vacancies for a term of two (2) years.

Section 2. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 3. Compensation. No Director shall receive compensation for any service he may render to the Association. however, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 4. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE X

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting subject to procedural rules adopted by the Board. Such rules shall not be established so as to exclude any Member desiring to be a candidate or desiring to

submit the name of a candidate from so doing. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members and shall serve from the close of such annual meeting until the close of the next annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be from among Members or non-members. The Nominating Committee shall be announced at the annual meeting which follows its appointment.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE XI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE XII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- (a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and

the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations.

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a Member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at special meeting when such statement is requested in writing by one-fourth (1/4) of all the votes outstanding in non-Declarant memberships;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(d) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;

(e) foreclose the lien against any property for which assessments are not paid within thirty (30) days after

due date or to bring an action at law against the Owner personally obligated to pay the same.

(f) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(g) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(h) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(i) approve an annual budget.

ARTICLE XIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice President, who shall at all times be Members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board of Directors may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board of Directors and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all promissory notes, and checks from such accounts as the Board may from time to time determine. He shall make appointments of Committee Chairman of all Standing Committees.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall cause the disbursement of such funds as directed by resolution of the Board of Directors; shall co-sign all promissory notes and checks from such accounts as the Board may from time to time determine; keep proper

books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall be the chief officer responsible for the preparation of an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and shall deliver a copy of each to the Members.

ARTICLE XIV

COMMITTEES

The Association shall appoint an Architectural Control Committee and a Nominating Committee, as provided herein. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE XV

PERSONAL LIABILITY

No member of the Board of Directors or any Committee of the Association, or any officers of the Association, shall be personally liable to any Owner, or to any other party, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error, or negligence of the Association, the Board, or the Architectural Control Committee, or any other Committee, or any officer of the Association, provided that such a person has, upon the basis of such information as may be possessed by him, acted in good faith, without willful or intentional misconduct, and further provided that the act or omission complained of involves the official duties of such person in connection with his responsibilities to the Association.

ARTICLE XVI

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XVII

ASSESSMENTS

Each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessments is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of default with interest thereon at ten percent (10%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

ARTICLE XVIII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: "Cheshire Forest Homeowners Association, Inc." and "SEAL", or some abbreviated form of the same.

ARTICLE XIX

AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is a Declarant's class of membership.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws; the Declaration shall control.

ARTICLE XX

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the Directors of
Cheshire Forest Homeowners Association, Inc., have hereunto set out
hands this 15th day of January, 1987.

[Signature]
[Signature]
[Signature]
[Signature]
[Signature]

COMMONWEALTH OF VIRGINIA
AT LARGE

The foregoing instrument was acknowledged before me this 15th
day of January, 1987, by Roxanne Miller, Bruce Galvin,
Daniel Gordon, Allan Gibbs and Bill Evans, as
Directors of Cheshire Forest Homeowners Association, Inc., a Virginia
corporation, on behalf of the corporation.

[Signature]
Notary Public

My Commission Expires: 11/4/88

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of Cheshire
Forest Homeowners Association, Inc., a Virginia corporation; and

THAT the foregoing Bylaws constitute the original Bylaws of
said Association, as duly adopted at a meeting of the Board of Directors
thereof, held on the 15th day of January, 1987.

[Signature]
Secretary

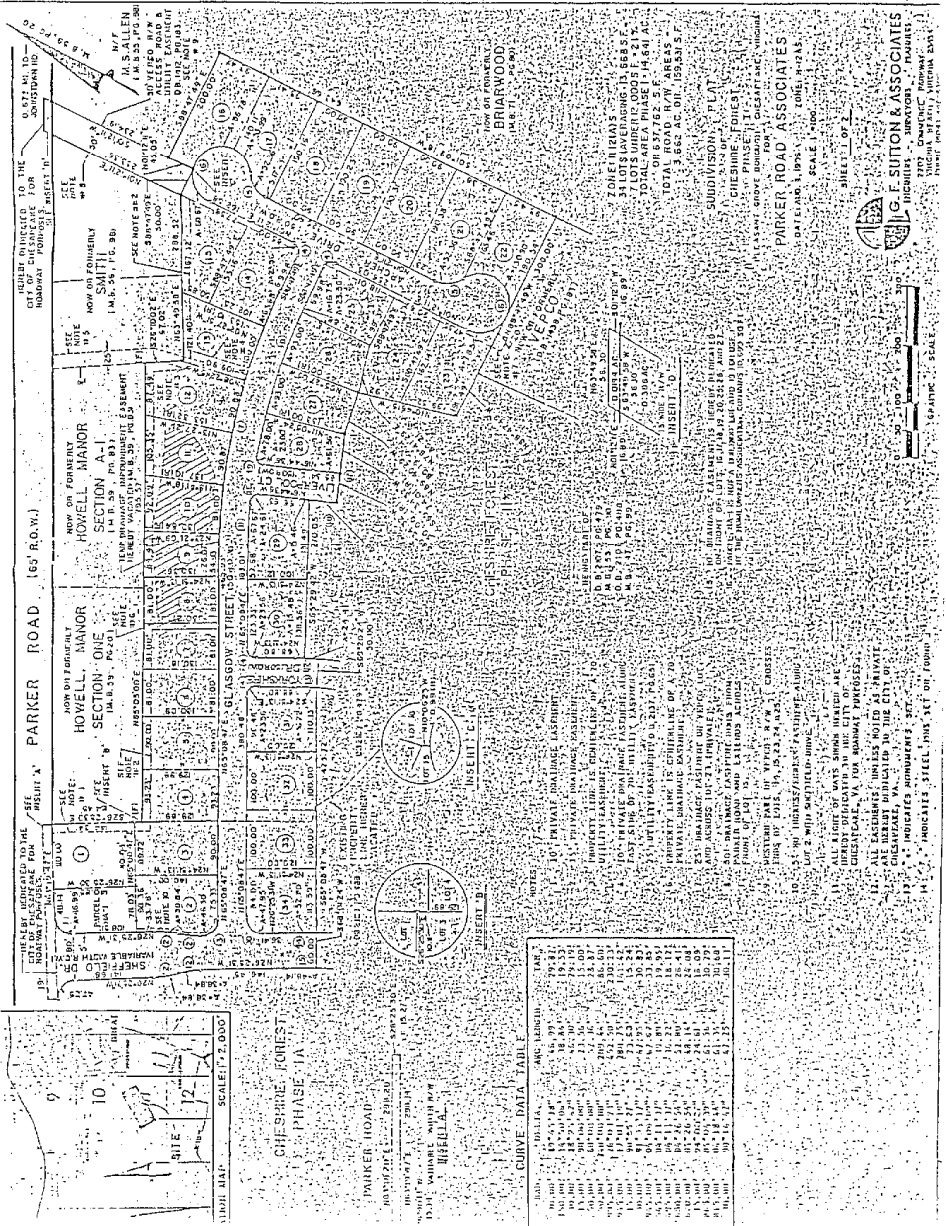
MELO/7013.5.C

EXHIBIT "B"

COMMON AREAS

ALL THOSE certain lots, pieces or parcels of land with the buildings and improvements thereon, situate, lying and being in the City of Chesapeake, Virginia, and being known, numbered and designated as Parcel HA-1, as shown on that certain plat entitled "Subdivision Plat of Cheshire Forest, Phase I", Pleasant Grove Borough, Chesapeake, Virginia, which said plat is duly recorded in the Clerk's Office of the Circuit Court of the City of Chesapeake, Virginia, in Map Book 85, at Pages 105 and 105A; reference to said plat is hereby made for a more particular description of said property.

MELO/7023.5.C



HEREBY INDICATED TO THE HENRICO COUNTY BOARD OF SUPERVISORS FOR THE RECORD THAT THE SUBDIVISION IS COMPLETE AND THE PLAT IS CORRECT AND ACCURATE.

0.571 AC. TO THE HENRICO COUNTY BOARD OF SUPERVISORS FOR THE RECORD THAT THE SUBDIVISION IS COMPLETE AND THE PLAT IS CORRECT AND ACCURATE.

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CURVE DATA TABLE

STATION	BEARING	ARC LENGTH	TIME
1+00.00	S 89° 57' 12" W	10.000	19.871
1+10.00	S 89° 57' 12" W	10.000	19.871
1+20.00	S 89° 57' 12" W	10.000	19.871
1+30.00	S 89° 57' 12" W	10.000	19.871
1+40.00	S 89° 57' 12" W	10.000	19.871
1+50.00	S 89° 57' 12" W	10.000	19.871
2+00.00	S 89° 57' 12" W	10.000	19.871
2+10.00	S 89° 57' 12" W	10.000	19.871
2+20.00	S 89° 57' 12" W	10.000	19.871
2+30.00	S 89° 57' 12" W	10.000	19.871
2+40.00	S 89° 57' 12" W	10.000	19.871
2+50.00	S 89° 57' 12" W	10.000	19.871
3+00.00	S 89° 57' 12" W	10.000	19.871
3+10.00	S 89° 57' 12" W	10.000	19.871
3+20.00	S 89° 57' 12" W	10.000	19.871
3+30.00	S 89° 57' 12" W	10.000	19.871
3+40.00	S 89° 57' 12" W	10.000	19.871
3+50.00	S 89° 57' 12" W	10.000	19.871
4+00.00	S 89° 57' 12" W	10.000	19.871
4+10.00	S 89° 57' 12" W	10.000	19.871
4+20.00	S 89° 57' 12" W	10.000	19.871
4+30.00	S 89° 57' 12" W	10.000	19.871
4+40.00	S 89° 57' 12" W	10.000	19.871
4+50.00	S 89° 57' 12" W	10.000	19.871

NOTES:

1. ALL RIGHTS OF WAY SHOWN HEREON ARE CHESTERFIELD, VA FOR ROADWAY PURPOSES.
2. ALL ENCROACHMENTS SHOWN ON THIS PLAT ARE HEREBY RELEASED TO THE CITY OF CHESTERFIELD, VA.
3. ALL ENCROACHMENTS SHOWN ON THIS PLAT ARE HEREBY RELEASED TO THE CITY OF CHESTERFIELD, VA.
4. ALL ENCROACHMENTS SHOWN ON THIS PLAT ARE HEREBY RELEASED TO THE CITY OF CHESTERFIELD, VA.
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10. ALL ENCROACHMENTS SHOWN ON THIS PLAT ARE HEREBY RELEASED TO THE CITY OF CHESTERFIELD, VA.

ZONE 1 DETAILS:
 3 LOTS (LUMBERMANS) 11,883 S.F.
 TOTAL AREA PHASE I: 4,841 AC.
 ON 537,762 S.F. 6.68 AC.
 TOTAL: 3,662 AC. OR 159,548 S.F.

ZONE 2 DETAILS:
 1 LOT (LUMBERMANS) 11,883 S.F.
 TOTAL AREA PHASE II: 4,841 AC.
 ON 537,762 S.F. 6.68 AC.
 TOTAL: 3,662 AC. OR 159,548 S.F.

ZONE 3 DETAILS:
 1 LOT (LUMBERMANS) 11,883 S.F.
 TOTAL AREA PHASE III: 4,841 AC.
 ON 537,762 S.F. 6.68 AC.
 TOTAL: 3,662 AC. OR 159,548 S.F.

SUBDIVISION PLAT:
 THIS PLAT IS SUBJECT TO THE PLAT OF THE PINE FOREST SUBDIVISION, PHASE I, REC'D FOR RECORD IN THE HENRICO COUNTY CLERK'S OFFICE, VOLUME 10, PAGE 100.

PARKER ROAD ASSOCIATES
 10010 W. BRIDLE PATH, SUITE 100, CHESTERFIELD, VA 23034
 (804) 740-1000

G.F. SUTTON & ASSOCIATES
 1707 DUNCANSON PARKWAY, SUITE 100, CHESTERFIELD, VA 23034
 (804) 740-1000

THIS INSTRUMENT PREPARED BY
PENDER & COWARD, P.C.

**FIRST AMENDMENT
TO THE BYLAWS OF
CHESHIRE FOREST HOMEOWNERS ASSOCIATION, INC.**

THIS FIRST AMENDMENT TO THE BYLAWS of Cheshire Forest Homeowners Association, Inc. (hereinafter the "ByLaws") is made this 25th day of November, 1996, by **CHESHIRE FOREST HOMEOWNERS ASSOCIATION, INC.** (hereinafter the "Association"), its members having been duly convened at a meeting of the members on November 25, 1996, and this Amendment having been passed by a favorable vote of the majority of the quorum of the members present, in person or by proxy, as required by Section 1 of Article XIX of the ByLaws.

NOW, THEREFORE, the ByLaws are hereby amended, by reason of a vote taken at said duly convened meeting of the members, as follows:

1. **Article VIII, Section 1** is hereby deleted in its present form and new language is hereby inserted as follows:

The annual meeting of the Members shall be held during the month of November on a day and at an hour established by the Board of Directors on or before its September meeting each year.

EXECUTED on the date first above stated by the duly authorized officer of the Association.

PENDER & COWARD
PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
VIRGINIA BEACH,
VIRGINIA

Page 1 of 2

CHESHIRE FOREST HOMEOWNERS ASSOCIATION, INC.

By Brett Paciulli, President for Cheshire Forest Homeowners Assoc. (SEAL)
Brett Paciulli, President

ATTEST:

Juliane M. Smith Secretary for Cheshire Forest Homeowners Association (SEAL)
Juliane M. Smith, Secretary

COMMONWEALTH OF VIRGINIA,
CITY OF CHESAPEAKE, to-wit:

The foregoing FIRST AMENDMENT TO THE BYLAWS OF THE CHESHIRE FOREST HOMEOWNERS ASSOCIATION, INC., was acknowledged before me, the undersigned notary public, this 23 day of September, 1997, by BRETT PACIULLI, President of the Cheshire Forest Homeowners Association, Inc.

Cynthia C. Stash
Notary Public

My Commission Expires: 7/31/01

HENDER & COWARD
PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
VIRGINIA BEACH,
VIRGINIA

Page 2 of 2

RECORDED WITH
CERTIFICATE ANNEXED

97 OCT 14 AM 8:59

650.1-602 TAXES PAID \$
CHESAPEAKE, VA.

TESTE: Shirley M. White
CLERK, CIRCUIT COURT

RESOLUTION OF CHESHIRE FOREST HOMEOWNERS' ASSOCIATION

RE: EXCESS INCOME APPLIED TO THE FOLLOWING YEAR ASSESSMENTS, OR TO REPLACEMENT FUNDS AS A CONTRIBUTION TO CAPITAL.

WHEREAS, Cheshire Forest Homeowners' Association is a Virginia association duly organized and existing under the laws of the Commonwealth of Virginia; and,

WHEREAS, the members desire that the Association shall act in full accordance with the rulings and regulations of the Internal Revenue Service;

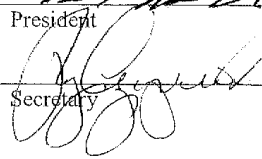
NOW, THEREFORE, the members hereby adopt the following resolution by and on behalf of Cheshire Forest Homeowners' Association:

RESOLVED, that any excess of membership income over membership expenses, for the year ending December 31, 2004, as defined in the IRC Sec. 277, shall be applied against the subsequent year member assessment, as provided by IRS Rev. Rul. 70-604, or applied to replacement funds as contribution to capital as provided by IRC Sec. 118, Rev. Rul. 74-563, 75-370 and 75-371.

This resolution is adopted and made a part of the minutes of the meeting of December 8, 2004.

BY: 

President

ATTESTED: 

Secretary